

EVALUATION OF THE

USDOL PARTNER PROJECT IN UKRAINE:

***INTEGRATED COMMUNITY DEVELOPMENT PROGRAM AND MODEL
EMPLOYMENT SERVICES***

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ACRONYMS AND ABBREVIATIONS

EC	Employment Center
IAS	Industrial Adjustment Specialists
Career Center	Information and Career Planning Centers
ICDP	Integrated Community Development Program
LMAT	Labor Management Adjustment Teams
LED	Local Economic Development
MOLSP	Ministry of Labor and Social Policy
NAG	National Advisory Group
NES	National Employment Service
NESTI	National Employment Service Training Institute
QS	Quick Start
RR	Rapid Response
SME	Small and Medium-sized Enterprise
TMC	Teaching Methodology Center
TOT	Train-the-Trainer
USDOL	United States Department of Labor
USIF	Ukraine Social Investment Fund
WB	World Bank
WSI	Worldwide Strategies, Inc.

EXECUTIVE SUMMARY

This report presents the findings, conclusions and recommendations from the final evaluation of the U.S. Department of Labor (USDOL) **Partner Project in Ukraine**, based on its operation from June 2000 to September 2003. A two-person team carried out the evaluation. The team traveled to Ukraine from September 14 – 26, 2003, collecting data at four project sites and two non- assisted sites throughout Ukraine, from the central Partners project office in Kiev, and from interviews with stakeholders in the U.S. and Ukraine.

The USDOL contractor for this project was Worldwide Strategies Inc. (WSI). The project built on prior USDOL/WSI experience in Integrated Community Development Programs (ICDP) in Eastern Europe. The Partner project was implemented as a direct bilateral program, as contrasted with the other USDOL/WSI projects in the region that were implemented as part of a USDOL/USAID interagency agreement.

The original design of the Partner project called for the implementation of the three components of the USDOL/WSI ICDP: Local Economic Development (LED), Worker Adjustment (of which the Labor/Management Adjustment Team/LMAT is one aspect) and Enterprise Competitiveness (EC). However, due to an increasingly divergent view by the Ukrainian Ministry of Labor and Social Policy (MOLSP) of national labor market priorities and ultimate opposition from the National Employment Services (NES) to an expansion of the LED and LMAT initiatives beyond the two pilot sites, the original scope of work was revised in May 2001 to focus on enhancing employment services in eleven pilot Employment Centers throughout Ukraine through training and technical assistance and the provision of computers, furniture and other equipment.

Results:

1. LED

Through Partner Project LED training, technical assistance and grants to 4 community projects in two sites, the following results were achieved:

- Creation of 4 start-up enterprises that generated 34 new jobs and 20 temporary jobs, up to 40 additional jobs may be created when all 4 businesses are fully on stream;
- Increased citizen confidence regarding their ability to assume responsibility for their own economic development, and
- Capacity built within pilot communities to seek and obtain additional funding for local economic development.

Given the results obtained in the four pilot community projects, and in light of the demand expressed by neighboring communities for LED projects, it is unfortunate that this component was not made more widely available in Ukraine and that no local entity, whether within MOLSP or another ministry or NGO, was designated as the official counterpart for the Partner LED program, to ensure some measure of sustainability.

2. LMAT

Although LMAT was only implemented in one community (Slavutych) results in that pilot were significant, especially in view of considerable institutional and administrative obstacles:

- The Slavutych LMAT has functioned productively for three years now, bringing together 25 labor and management representatives from the Chernobyl Nuclear Power Plant (CNPP)
- The LMAT process was replicated in two other companies in the community that are also facing layoffs
- 680 employees of the CNPP repair workshop were successfully transitioned to ARS, the state-owned Nuclear Repair and Troubleshooting Company
- 983 workers from CNPP received a combination of psychological counseling and outplacement services at the LMAT Transition Center through the combined efforts of the LMAT members and the Slavutych Employment Center
- The Transition Center will continue to be operated by the LMAT after the close of the project on the premises of the Municipal Services Company Trade Union
- The LMAT is an advocate on the national scene regarding the need for legislation requiring companies to provide pre-layoff services to at-risk workers.

As was the case in other Eastern Europe countries, management acceptance of and cooperation with pre-layoff services would be greatly enhanced if legislation requiring such services were enacted.

3. Enterprise Competitiveness

Very limited resources were available to implement this component of ICDP, resulting in:

- Enterprise analysis of ARS, the state-owned nuclear repair company, to identify areas to enhance competitiveness.

4. Employment Services enhancement

To a person, staff interviewed from NES and the local employment centers agreed that the USDOL training, technical assistance and hardware had contributed significantly towards improved operations at the 11 target employment centers:

- Efficiency, as measured in numbers of clients served promptly and courteously, is estimated to have improved dramatically (nearly double per estimates from two employment centers). Preliminary results from customer satisfaction surveys indicate high ratings of employment services by both key stakeholders: job seekers and employers.
- Effectiveness, as measured in numbers of jobs posted and placements made, increased on the average 13% in both categories at the 11 Partner pilot centers since the project began.
- New procedures have been adopted by NES in five of the six areas in which USDOL provided technical assistance, including public relations, targeted services for women and youth, vocational guidance, employer relations and performance measures. Changes in Rapid Response procedures, the sixth and last area to be implemented, are now under study.

- The National Employment Services Training Institute (NESTI) has incorporated the new employment services procedures into its training manuals and has designated a group of trained trainers to continue capacity building throughout Ukraine's 700-center Employment Services system.
- Hardware provided by the project, valued at approximately \$780,000 and including 264 computers, furnishings, and other equipment, has changed the face of the eleven pilot centers and contributed to creating a more professional, positive and hospitable environment.

Key Recommendations:

1. Future projects should ensure that the key project stakeholders from all partner organizations are involved *before project kick-off* in establishing the project's strategic framework and performance monitoring plan. This would ensure that stakeholders jointly determine project purpose, specific objectives and means of measuring progress towards those objectives. As possible, a successor organization to continue to implement each project component should be identified from the time of project start-up to ensure sustainability.
2. Performance data should be compiled at least every six months and reviewed with the project's stakeholders in order to make strategic and tactical decisions that could improve project performance.
3. To buttress arguments for Rapid Response, USDOL should provide information to stakeholders on legislation adopted in other countries regarding pre-layoff services and results achieved from rapid response programs after enactment of the legislation.
4. Future project designs for employment services enhancement should include additional time post training-of-trainers for mentoring employment center staff in the field.
5. USDOL and WSI should identify a practical mechanism for continuing to provide information, at least virtually, to the LED teams throughout the Eastern European region on LED successes and spin-offs.
6. Ukraine LED, LMAT and ES counterparts should be encouraged to continue to report results over a 3-year post-project period, particularly as regards LED job creation and spin offs, LMAT jobs transitioned and spins offs, new ES policies and systems in place.

I. PROJECT BACKGROUND AND DEVELOPMENT

In the aftermath of independence and in response to enterprise shutdowns, restructurings and slowdowns as Ukraine moved into the global marketplace, the labor market situation in Ukraine rapidly declined from its “full employment” status during the Soviet regime . The ILO estimated in 2001 that employment levels had dropped by as much as one-third in ten years time. Although the official unemployment rate is estimated to be 3-4%, a recent ILO survey indicated that levels might be as high as 40%. Among those still officially employed, wage arrears are frequent: more than 40% of workers reported to the ILO that they had not been paid in the previous three months. Faced with the prospect of social unrest given such a dire employment situation, the U. S. Department of Labor (USDOL) began discussions with the Ukrainian Ministry of Labor and Social Policy (MOLSP) in 1999 regarding support for measures to provide a social safety net and reduce potential social tensions. The Ukraine PARTNER program was part of a larger USDOL technical cooperation program with the MOLSP that included mine safety and health and USDOL-funded assistance from the International Labor Organization (ILO) to promote internationally recognized labor standards.

Original Design: July 2000-April 2001

The original design for a “Ukraine Worker and Regional Economic Adjustment Project” (dubbed “PARTNER” for the Ukrainian acronym) focused on the implementation in Ukraine of the Integrated Community Development Program (ICDP). The ICDP drew on a model developed by Gary Hansen¹ to promote community, worker and enterprise adjustment in Eastern European countries that were facing massive layoffs and enterprise restructuring. The concept derived from Hansen’s review of adjustment programs carried out in the U.S. and Canada over the past 20 years and from his participation in technical assistance activities carried out by USDOL and ILO in several CEE countries during the early days of their economic transition. Hansen concluded that “a comprehensive strategy, rather than narrowly focused or piecemeal adjustment approaches, could achieve more successful worker, community and enterprise adjustments in CEE countries undergoing economic restructuring and privatization- and lay the foundation for a permanent adjustment mechanism to deal with these issues in the future.”² The ICDP is comprised of three components:

- Local Economic Development “LED” (also known as “Community Economic Renewal”) – through small grants to community-identified LED projects, promotes economic revitalization in communities severely impacted by economic dislocation.

¹ Gary Hansen was Professor of Economics and of Management and Human Resources at Utah State University until 1998. He also served as Director of International Programs, College of Business, from 1992 – 1998. From 1998 to the present he has been a Senior Advisor with WSI.

² Hansen, Gary, “Evolution of the USDOL/WSI Adjustment Model,” excerpted from a paper presented at the 5th European Congress on Industrial Relations, Dublin, Ireland, August 1977, p. 1

- Worker Adjustment (also known as “Rapid Response”) - promotes cooperative relationships among labor and management representatives of downsizing enterprises in order to address the employment needs of redundant workers, including the organization of Labor/Management Adjustment Teams (LMAT).
- Enterprise Competitiveness- provides support to firms striving to become more competitive with smaller workforces while maintaining productivity. One of the six activities under this component is firm-level “enterprise analysis” intended to identify measures for enhancing competitiveness.

Since 1994, one or more ICDP components have been implemented by USDOL working with its contractor, WSI, in the following Eastern European countries: Hungary, Poland, Bulgaria Romania and Macedonia.

In April 2000, a fact finding team from USDOL met with the MOLSP, trade unions, a business organization, the US Embassy, the EU TACIS program and with employment services representatives in Donetsk Oblast where the coal sector restructuring was underway. The team concluded that there was no integrated strategy for addressing worker adjustment and local economic development in Ukraine, despite the existing labor-market information system and the initiation of some partnerships among government, communities and workers. Services provided by NES were essentially passive in nature (payment of unemployment benefits).

The ICDP was proposed to the MOLSP who expressed interest in moving forward with the proposed design. That design involved ICDP implementation in 8 sites over 16 months to test the model. If successful, ICDP would be rolled out to 10 additional sites during a one-year extension. The project design document references three basic objectives:

- sustaining job creation
- mitigation of negative social and economic impact of enterprise restructuring
- facilitation of democracy through citizen participation in economic decision making

The choice of sites for the LED component was made based on priorities set by the MOLSP, rather than on the selection criteria normally used for ICDP by WSI. The latter require communities across a region or the entire country to “bid” on the LED opportunity. The preparation of the competitive bids ensures community buy-in to the process. Under normal ICDP arrangements, target communities range in size from 25,000 to 150,000 people, in areas that have received little assistance from other donor programs. The two sites selected for Ukraine met few of these criteria. Gorlovka, in the depressed mining region of Donetsk, was a community of 305,000 persons, well over the target size for ICDP. Slavutych was a community of 22,000 persons but one where considerable donor assistance had been available to citizens since the Chernobyl Nuclear Power Plant accident of 1988. Slavutych was added as a pilot site following the visit of President Clinton to Ukraine in 1999, during which he had committed to providing U.S. assistance to the city.

While these two communities were identified as pilot sites, the memorandum of understanding with the Government clearly provided for long term replication of the LED component in other economically depressed areas in Ukraine.

The Minister of Labor and Social Policy and the Director of the National Employment Service (NES) visited the United States in July 2000 to sign the formal memorandum of understanding with USDOL. During his stay, the Minister visited a model Employment Center in Baltimore and

indicated to USDOL that he wanted that same system replicated in Ukraine. A senior USDOL official gave verbal approval to this request. Although implementation of LED/LMAT activities went forward at the pilot sites from September 2000 to January 2001, the Ministry remained focused on its request for assistance to create model employment centers. To complicate the situation, serious communications problems had developed between the WSI country director and MOLSP/NES officials.

The MOLSP grew increasingly impatient over the lack of response to its stated priorities. A fax of protest was sent to USDOL in December 2000, followed by an indignant letter in January 2001 and the formal suspension of project activities in February 2001. A new letter of agreement was drafted in March 2001 and a redesign mission was scheduled for May of that year.

First Project Redesign: May 2001- November 2001

A USDOL/WSI redesign mission traveled to Ukraine in May 2001 to evaluate a means of reconciling the MOLSP's objectives of enhancing employment services with the project's original ICDP-focused design. A needs assessment was conducted to identify key areas for capacity building within the National Employment Service and its local employment centers. Based on the needs assessment, a new memorandum of agreement was signed with MOLSP that focused on upgrading employment services at 11 target local employment centers (EC) through training, technical assistance and hardware. The project also included funding for furnishings and equipment for a new MOLSP conference/training room and a new print shop equipment to enable NESTI to more cost-effectively publish training materials. The new agreement identified five Train-the-Trainer packages for NES, NESTI and the pilot employment centers, in the areas of Employer Relations, Public Relations, Targeted Services, Vocational Guidance and Counseling, and Performance Measures.

Second project redesign: December 2001-September 2003

Funds remaining under the project were reprogrammed in December 2001 to create a sixth component of the employment services enhancement program, known as Rapid Response. The focus of this component was to build capacity within the MOLSP and the local employment centers to provide pre-layoff services to employees whose jobs were vulnerable. Building on the strengths of the experience in Slavutych with the LMAT, this component formulated responses in the form of psychological counseling and retraining for at-risk employees.

The project was officially closed out in September 2003 with all equipment inventoried and assigned to Ukrainian counterparts.

II. PURPOSE AND METHODOLOGY OF THE FINAL EVALUATION

To assess the progress of the Partner Project's ICDP and employment services initiatives, USDOL prepared a Statement of Work for a final evaluation (Appendix A) and contracted with Management Systems International, Inc. (MSI) to carry it out.

The primary objectives of the evaluation were (1) determine if the objectives of the project were met based on the indicator data and targets, (2) assess the strengths and weaknesses of the project as designed and implemented; (3) determine whether the project is sustainable and replicable; (4) identify the lessons learned from project implementation that led the project to relatively succeed or fail.

The evaluation team reviewed written background material on the project (Appendix B) to gain a sense of its origins, focus and achievements. The team carried out background interviews in person with the USDOL project manager in Washington. Using this information and given its prior experience with evaluations of the USDOL ICDP programs in Bulgaria, Romania and Macedonia, the team drafted a field data collection protocol (Appendix C) which served as the basis of its interviews with focus groups at the Partner project sites selected for the evaluation and with project stakeholders. Interviews were conducted (Appendix D) with a total of 11 WSI employees or consultants, 3 national level senior Employment Services (ES) officials, 2 oblast (regional) level ES officials, directors and staff of four of the 11 pilot ES sites and of two non-assisted Employment Centers, as well as representatives of the two LED projects and teams in Gorlovka and of the two LED projects and teams and the LMAT in Slavutych.

The evaluators met on several occasions in Kiev with the WSI country director and project staff, and were able to observe first hand technical assistance provided by one of the WSI consultants working with LED teams at the ICDP sites. A detailed transcript of respondents' answers and comments was maintained throughout the trip.

III. EVALUATION FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

The evaluation team assessed project management, project implementation and project impact to determine the findings, conclusions and recommendations listed below.

A. PROJECT MANAGEMENT AND COORDINATION

FINDINGS

Project management in this report refers to the execution of project roles and responsibilities by the principal stakeholders: USDOL, WSI, MOLSP and the WSI country project team. Findings are based on interviews with each of these groups and on field observation.

The team assessed project management in relation to several standards:

- Shared understanding of and support for the project purpose
- Well defined roles and responsibilities
- Open and timely communication

The project encountered serious management problems from the outset as concerns each of these standards.

Shared understanding: Despite an official memorandum of understanding, the key stakeholders, USDOL and its contractor WSI on the one hand, and the MOLSP on the other, had fundamentally different concepts of what the project's original purpose was. The MOLSP/NES saw the USDOL project as a mechanism to provide the "material base" (i.e., the hardware and furnishings) necessary to implement its New Technologies program.³ The ICDP program appears to have been very poorly understood by MOLSP, and misconceptions were

³ The MOLSP had created a program of "New Technologies" for active labor market measures, working on a German model for employment services.

still apparent at the time of the final evaluation as evidenced by comments from NES personnel to the effect that “the LED and LMAT activities had no direct relation to the work of the NES” and that “LED grants should have been given to unemployed people.” It was not until the project was redesigned to include the provision of significant hardware that NES began cooperating with USDOL on the design of technical assistance for employment services enhancement and stopped interfering in the implementation of the LED and LMAT components at the two pilot sites.

Well-defined roles and responsibilities: There was pressure from certain individuals within the Employment Service throughout the first year of the project to impose decisions on the project for hiring of local staff or selection of community projects. The community-based decision making process that is at the core of the LED component was a significant departure from conventional economic decision making in Ukraine. It is to the project’s credit that its local staff and LED/LMAT teams at the pilot sites had the tenacity to resist pressures to modify the community team’s decisions.

Open and timely communications: There were clear communications difficulties between the first WSI country director and his counterparts at all levels in Ukraine. While this was not the sole cause of the failure by NES to endorse LED and LMAT, it certainly complicated the situation.

Recognizing that management problems were seriously affecting the prognosis for any positive project outcomes in Ukraine, USDOL and WSI took the following series of corrective actions:⁴

- Stabilization in USDOL project management in September 2000
- Creation of a Washington-based WSI Deputy Director to facilitate communications among USDOL, WSI and MOLSP;
- Mission to Ukraine by USDOL/WSI senior management to discuss project management and redesign with MOLSP counterparts
- Fundamental review of in-country staffing, administrative procedures, and project management beginning at the end of June 2001, resulting in the replacement of the former WSI country director by a manager responsible for ensuring enhanced communications, coordination and teamwork by staff
- Regular backstopping of the project by the WSI Regional Advisor to train in-country staff and assist in progress reviews.
- Regular communications and progress review by the new WSI country director with the MOLSP NES Director and Deputy Director.

CONCLUSIONS

Project progress was severely hampered for nearly a full year due to misunderstandings about purpose and activities.

⁴ Marler, Stephen “Mid Term Evaluation of Ukraine Partner Project” September 2001

A clear, jointly endorsed understanding of project purpose is critical for project success. Project staff must have the ability to communicate that purpose clearly and convincingly to local counterparts

RECOMMENDATIONS

Future projects should ensure that the key project stakeholders from all partner organizations are involved *before project kick-off* in establishing the project's strategic framework and performance monitoring plan. This would ensure that stakeholders jointly determine project purpose, specific objectives and means of measuring progress towards those objectives.

B. PROJECT IMPLEMENTATION

1. Integrated Community Development Program

FINDINGS

a) Local Economic Development (LED) project implementation

LED projects are process-oriented approaches to creating community partnerships for local economic development. Under the ICDP, LED programs are intended to help “communities and regions experiencing restructuring, downsizing or enterprise closures to develop and use a systematic business growth and job creation strategy to begin or expand local economic development efforts”⁵ Under the ICDP model, Industrial Adjustment Specialists, known in Ukraine as local coordinators, work with government, business and labor leaders in communities undergoing economic restructuring and privatization to understand and adopt measures to promote economic development, focusing on the assets of the community. The focus of LED is on the creation of a grassroots capacity for decentralized decision making through community ownership of services and problems and broad-based citizen participation in community assessment, planning and implementation of economic renewal strategies.

Under the normal ICDP process, LED communities are selected through a competitive process and then participate in a series of six LED workshops implemented at one-month intervals. Participants are given “Need to Know” assignments at the end of each workshop for completion before the next. Workshop 0 introduces the LED concept and does teambuilding. Workshops A, B and C assist the community to identify its strengths, weaknesses and possible solutions for economic development. Workshop D involves selection of a grant-financed LED project to enhance local economic development and of a community action team to oversee implementation. Workshop E, the final workshop, provides training to the community team in project implementation and management. A LED grant is then disbursed progressively to finance the new business or expansion of an existing business. Amounts for these grants have ranged from \$20,000 to \$30,000 in the six Eastern European countries where LED has been implemented. In Ukraine the LED grant amount was \$30,000.

⁵ IAA Annex A, Labor Market Transition Assistance for Central and Eastern Europe, Project No. 180-0033, June 1999, p. 4

The LED component was implemented two communities in Ukraine, Gorlovka and Slavutych. These sites were to have been the pilots for a total of 18 communities, but were ultimately the only communities in Ukraine to benefit from LED.

As noted earlier, selection of these sites was made based on political priorities rather than on the selection criteria normally used by WSI. This posed a problem of buy-in among team members who were asked to participate in a program that was imposed on them. The ICDP local coordinator in Gorlovka noted that it took considerable effort to gain the confidence of the first LED team. Members stated to the evaluation team that they began the program with no belief in the value or effectiveness of voluntary participation. The only committed members at the outset were the NGO representatives. However, by the end of the program, members had seen the results and conveyed their confidence and enthusiasm to the second LED team.

Both sites faced disruptions due to political pressures: Gorlovka's monthly schedule of workshops 0 to E was suspended in February 2001 and again in May 2001 due to ongoing debates over the project purpose between USDOL and MOLSP; Slavutych's workshops beginning in June 2001 were conducted against a backdrop of disputes over the organization of the LMAT and the location of the Transition Center.

The volatile relations between the major stakeholders during the first round of LED in these two communities, and the fact that participatory economic decision-making was a novelty to the LED teams, created a challenging situation for the local coordinators. The fact that the groups persevered was a reflection of the faith the communities held in these coordinators⁶ and the strength of the LED methodology. In Gorlovka, a diverse group of individuals who had never worked together before evolved into a highly motivated unit that has spun off 5 new projects. In Slavutych, the mayor himself became one of program's strongest advocates and participated in all of the workshops, stating to the evaluators that the Partner project was the only project with long term impact in his town of the many donor initiatives that had come and gone.

Table 1: Project data on the four LED pilot projects implemented in Ukraine:

Site	Project	Pop.	# Team	Budget	Special Attributes	Jobs Created	Addtl Jobs Projected	Status
Gorlovka I	Internet Company Start-Up	305,000	20	\$30,000 grant + \$12,000 personal investment	Largest ISP in Gorlovka, covering 90% of city, owner serves as IT advisor to LED colleagues and provides free internet access to HS students	8	5 by Dec 2003 with planned expansion	Company broke even after 1 year; expanding now into websites and e-commerce
Gorlovka II	Plastic stationery Start-up	305,000	25	\$30,000 grant w/\$5000 from investors- to go to \$40,000 total w/new equipment	Bldg required rehab and permits due to location. Draws on local resources (available plastics)	11	10 new full time jobs planned once co. is on stream; 10 temp jobs during construction	Idea was generated during LED workshops; slow start due to need to rehab site

⁶ It is interesting to note that the ICDP coordinator for Slavutych was a high ranking Communist party official who had been tapped to accompany USSR President Gorbachev on his tour of Chernobyl after the CNPP disaster.

Site	Project	Pop.	# Team	Budget	Special Attributes	Jobs Created	Addtl Jobs Projected	Status
Slavutch I	Poultry and egg production Start-up	22,000	22	\$30,000 \$90,000 additional capital raised	Vegetable production pays for overhead costs pending poultry start-up	10	20 when facility is on stream	Delayed nearly one year due to facility purchase/ rehab and compliance requirements for health standards
Slavutych II	VoTech Training Center Start-up	22,000	24	\$30,000 grant w/\$30,000 investment	Family business group in IT, office supplies, admin. services and training- works closely with LEC to train unemployed- can assist with layoff retraining	5	5 with expansion	Start up on schedule. Company obtained Min of Education validation for 3 courses; 3 more to be added
Total:						34	40	

Note: number of jobs created compares favorably with other USDOL ICDP LED projects in Eastern Europe.

CONCLUSIONS

Strengths of LED project implementation:

- Widely respected, articulate and active local coordinators
- Selection of a large number of recognized pro-active citizens in each community for LED teams
- Creation of an environment that encouraged open discussion
- Supportive municipal leadership (Slavutych)
- Applicability of training materials and process to other situations, resulting in several LED spin off projects in both pilot communities

Weaknesses in project implementation

- Delays in the sequencing of the LED workshops in Gorlovka due to political decisions made in Kiev, beyond the control of the Partner project, but impacting team morale
- Lack of networking opportunities with LED project teams in Ukraine and throughout Eastern Europe: at both sites, LED team members told evaluators they regretted the fact that they were unable to share experiences with the teams in Macedonia, Romania, Bulgaria, Hungary and Poland.

RECOMMENDATIONS:

LED: USDOL and WSI should identify a practical mechanism for continuing to provide information, at least virtually, to the LED teams throughout the Eastern European region on LED successes and spin-offs.

b) LMAT

FINDINGS

The ICDP Rapid Response program, of which Labor-Management Adjustment Teams are one element, is intended to facilitate the transition of at risk workers to new jobs and careers and to reduce thereby unemployment.⁷ The process involves IAS specialists (known as local coordinators in Ukraine) working with enterprise managers, workers and community leaders to assess the adjustment needs of workers, develop a strategy and plan to provide transition services and mobilize resources and service providers to deliver them.

Contrary to the Rapid Response implementation methodology in Poland and Macedonia, the LMAT team in Slavutych did not have access to financial resources to provide retraining to at-risk workers. Due to the risks at the CNPP site, the LMAT was obliged to organize its transition center off-site. After much tumultuous debate between the LMAT and the local Employment Center in Slavutych regarding Transition Center location, set-up, control and accessibility, it was finally agreed that a separate room at the Employment Center would be allocated to the LMAT for use as a Transition Center and that the EC would work with LMAT members to accommodate their needs for meetings after the normal workday.

Despite the issues above and the decision by senior CNPP management to withdraw from the LMAT after a management change in December 2000, the results achieved by the Slavutych LMAT were impressive. Working with limited financial resources, the LMAT team in cooperation with the local Employment Center counseled nearly 1000 at risk workers, many facing stressful decisions about transitioning to new jobs or beginning their own businesses. The core LMAT members (90% union activists and 10% management) were very dedicated to the task at hand and were highly respected by their colleagues. The LMAT team worked especially closely with the 680 workers from the CNPP Central Repair Workshop who were offered the opportunity to transition to the new nuclear power troubleshooting and repair entity, ARS. They also counseled over 200 persons opting for early retirement from CNPP. The LMAT assisted in creating spin off LMATs within the Municipal Services Company (downsizing from 1900 employees to 800) and the Housing Authority. Other LMAT spin-offs under consideration due to downsizing are the local kindergarten and canteen. The Slavutych LMAT created its own website, built by an LMAT member: <http://partnerslavutych.kiev.ua> According to the LMAT members, the Partner project is the “only initiative that actually reached the workers of the CNPP. “

At the closeout of the Partner project, no agreement had been reached between the local Employment Center in Slavutych and the LMAT regarding use of the Transition Center on the EC premises. The EC wanted to charge rent to the LMAT for use of the room serving as the Transition Center. The LMAT did not have the resources for rent and opted instead to relocate

⁷ Hansen, Gary: “The USDOL Adjustment Model: An integrated approach to help workers, enterprises and communities impacted by economic restructuring”, p. 12.

to the premises of the Municipal Services trade union. They asked USDOL for the permission to transfer the computer equipment in the Transition Center to their new location, which was granted. At the time of the final evaluation, this decision appeared to have been accepted by the local Employment Center but was less well received by the NES who felt strongly that title to the equipment should revert to NES.

As concerns efforts to create a LMAT in Gorlovka, the local coordinator stated that no candidates had been identified among the mining companies because they claimed to have already completed most of their layoffs before the Partner project began and were not prepared to announce officially additional layoffs. Management at the smaller non-mining firms in the area were not interested in a joint labor/management program to provide pre-layoff counseling and services. Project staff and employment center staff in Gorlovka agreed that LMAT would be considerably more attractive if national legislation were passed requiring such services.

CONCLUSIONS

Strengths of LMAT project implementation in Slavutych

- Respected trade union members very actively involved at outset and throughout implementation
- Psychological counseling and peer support were the centerpieces of the services provided- both met the needs of the target population.

Weaknesses of LMAT project implementation

- Lack of in-plant facility
- Lack of senior management support at CNPP

RECOMMENDATIONS:

LMAT: in future programs, USDOL and WSI should provide information to stakeholders on legislation adopted in other countries regarding pre-layoff services and the benefits derived from the standpoint of numbers of workers served after enactment of the legislation.

c) Enterprise Competitiveness (EC)

FINDINGS

The creation of ARS, a new entity spun off from the CNPP Repair Workshop to perform nuclear power plant troubleshooting and repair services throughout Ukraine, provided a unique opportunity to the Partner project to carry out a competitiveness analysis under the EC component of the ICDP model. However, the complexity of the new entity's mandate and its para-public status made it difficult to provide the in-depth analysis and follow-up consulting services needed to enhance company competitiveness and efficiency, particularly given the limited funds budgeted for this component. The EC component was therefore abandoned after the initial analysis was completed.

CONCLUSIONS

The Enterprise Competitiveness component requires significant knowledge of the local terrain and economy and adequate resources to provide the necessary analysis and follow-up consulting support.

RECOMMENDATIONS

Implementation of the Enterprise Competitiveness component should be reserved for those instances where adequate resources, both financial and human, are available to carry out the initial study and follow-up consulting,

2. Employment Services Enhancement

FINDINGS

During the project redesign mission in May 2001, it was agreed that the USDOL Partner project would provide for both hardware and technical assistance to enhance the delivery of employment services at 11 pilot local employment centers in Ukraine, as follows:

1. Gorlovka, Donetsk Oblast
2. Konstantinovka, Donetsk Oblast
3. Slavutych, Kyiv Oblast
4. Nizhyn, Chernihiv Oblast
5. Korosten, Zhytomyr Oblast
6. Berdychiv, Zhytomyr Oblast
7. Zhovti Vodi, Dnipropetrovsk Oblast
8. Irshava, Zakarpatska Oblast
9. Rahiv, Zakarpatska Oblast
10. Pervomaisk, Mykolaiv Oblast
11. Sviatoshyn Raion, Kyiv City

a) Facility Enhancements (Computers, furniture, other equipment)

USDOL agreed to provide the MOLSP with a total of \$780,000 of equipment (primarily computers, copiers, and furniture) to strengthen the ability of the model centers to deliver services to their customers. This amount represents approximately 25% of total project funding. Between July 2001 and September 2002, the MOL and WSI worked together to identify, procure and install the necessary equipment. A total of 264 computer systems and peripherals were purchased, along with furnishings for 11 centers, print shop equipment for the National Employment Services Training Institute and furnishings for a state-of-the-art conference room at the Ministry's headquarters in Kiev. In some cases (Slavutych, Konstantinovka) the Ministry was able at the same time to refurbish the office space used by the employment center. This

was particularly evident in Slavutych, where the EC moved from a dilapidated, overcrowded facility in the local bus station, to an open and spacious facility that is perceived as highly attractive to both employers and job seekers (and is the one local Employment Center to have been visited personally by President Kuchma).

At time of the final evaluation, USDOL had inventoried and officially signed over to the MOLSP the equipment and furnishings currently being used to support enhanced employment services at the 11 pilot employment centers and some \$8,000 in computer equipment to the Slavutych LMAT.

A compliment to the hardware provided by the Partner Project' was the installation of a new job openings database and automated kiosks under the MOLSP New Technologies initiative. The system, when completed, will provide standardized data to all regional and local employment centers, to include job vacancies and statistical data. Most, if not all, employment centers currently have received and installed automated kiosks to make job vacancy data accessible to job seekers. These machines are now updated locally, and do not contain vacancy information beyond the immediate Oblast. However, once the full system is in place, the kiosks will be updated daily with vacancy information for the entire nation.

b) Training and Technical Assistance

The second component of the employment services enhancement program was training and technical assistance. Based on the May 2001 redesign mission, and a subsequent planning session held in Denver, CO in October 2001, WSI and MOLSP developed an implementation approach designed to accomplish the revamped project objectives. This assistance was to cover the following five areas: vocational guidance and counseling, employer relations, targeted services (women and youth), public relations and performance measures.

During the second redesign mission in December 2001, it was decided that remaining ICDP project funds would be reprogrammed to provide training in a sixth area, rapid response.

WSI mobilized a technical assistance team, coordinated by WSI consultant Tom Ivory, to carry out needs assessments, to establish work groups within the NES and among the pilot employment centers, and to develop training materials and implement training of trainers. The training and technical assistance component was carried out from third quarter 2001 to third quarter 2003 and included development of complete reference manuals and train the trainer manuals in each of the six services areas. WSI presented 100 copies of the final versions of these manuals to NESTI. NES was responsible for distributing copies to each of the 700 local Employment Centers. The table below displays the time frame for delivery of training and technical assistance in each of the six areas.

Table 2: Timeframe for delivery of technical assistance in Employment Services

	Voc. Guidance/ Counseling	Employer Relations	Targeted Services	Public Relations	Performance Measures	Rapid Response
Q 3 2001	Initial Assessment	Initial Assessment	Initial Assessment	Initial Assessment		
Q 4 2001		Work Group	Work Group	Training		
Q 1 2002	Work Group				Initial Assessment	
Q 2 2002		Train-the-trainer	Train-the-trainer	Training	Training	

	Voc. Guidance/ Counseling	Employer Relations	Targeted Services	Public Relations	Performance Measures	Rapid Response
Q 3 2002	Train-the-trainer & Monitor	Train-the-trainer & Monitor	Follow-up/ Evaluation	Training	Training	Train-the-trainer
Q 4 2002						
Q 1 2003					Customer Satisfaction Survey	Follow-up Training
Q 2 2003	Mentoring	Follow-up training				Follow-up Training
Q 3 2003	Follow-up Training	Follow-up training			Customer Satisfaction Survey	Follow-up Training

Note that there was a hiatus of activity during the fourth quarter (October-December) of 2002 while WSI management reexamined and realigned project resources.

Highlights of implementation activity in each of the six program areas are described below. Additional findings and conclusions on the results of each of these program areas, are presented in Section C, Project Impact.

VOCATIONAL GUIDANCE AND COUNSELING

The WSI vocational guidance expert used a work group consisting of Ukrainian employment service managers and staff to adapt training materials previously developed and used in Poland. This included a Counseling Resource Guide (CRG) and Counseling Resource Guide Train-the-Trainer (CRG/TTT) materials that were translated into Ukrainian then modified based on input from the work group in January 2002. The consultant then used the materials to conduct a 4-day train-the-trainer workshop for work group members and counseling staff from the 11 model employment centers in February 2002.

The consultant later mentored and monitored a workshop conducted by one of his trainees in Donetsk oblast. Monitoring visits in September 2002 and project reports, as corroborated by site visits by the evaluation team, indicate widespread use of the materials on various levels within the local Employment Centers.

As stipulated during the redesign, NESTI received 100 copies of the final revised versions of the CRG and CRG/TTT. NESTI incorporated the vocational guidance and counseling materials into its ongoing training curriculum. NES provided copies of the CRG to all 700 local Employment Centers. The WSI consultant monitored an abbreviated version of the counseling training presented by NESTI to 40 additional trainees in July 2003. Finally, in September 2003, the WSI consultant conducted follow-up training to about 50 staff from the Transcarpathian area of western Ukraine, focusing on training delivery skills and assessment of guidance and counseling services.

Employment services staff interviewed during the evaluation ranked the vocational guidance/counseling component highest of the six Partner employment services components, primarily for its practical orientation and applicability to the Ukrainian context. The directors and staff of every EC interviewed cited multiple examples of how the component had been used successfully to organize counseling sessions and work more professionally with new clients. Many of the Employment Services staff had prior psychological education or training, felt that

the material was an excellent supplement to their ongoing counseling programs, and that it enabled them to train other staff to the extent necessary. A common example mentioned was the ability to train reception desk staff on how to recognize job seekers who would most benefit from counseling and to direct them toward that service.

EMPLOYER RELATIONS

In December 2001, WSI translated a draft Employer Relations curriculum and presented it to a work group of Ukrainian employment service managers and staff. After adaptations were made, an initial train-the-trainer session was presented to 20 staff from MOLSP, NESTI, and regional/local employment centers in April 2002. WSI also developed an Employer Relations Manual to augment the training materials. In September 2002, the WSI consultant monitored subsequent training at two employment centers, and observed weaknesses in the training and lack of solid MOLSP plans for its delivery. However, by September 2003, he reported that the materials were being used in the employment centers, and that the material had been incorporated in the NESTI curriculum. These findings were corroborated during the evaluation team's site visits and interviews, with several references to implementation of employer surveys and organization of user groups. The employment center staff interviewed during the evaluation stressed that the employer relations training had changed their thinking from the traditional regulatory outlook to one of partnership with employers.

Several employer relations specialists interviewed stated they had learned to treat the employer as "Client Number 1" and that by doing so, they would ultimately help the job seeker by obtaining more vacancy listings. Employer relations specialists learned also how to tailor communications and services to the needs of particular companies. Instead of having a single, all day seminar once per month for all employers, they began holding shorter mini-seminars for a few employers at a time. Interviewees often pointed out the increase in the percentage of employers registering job vacancies with the EC as evidence of their success. (Data in Appendix F tend to bear out this perception in that the percentage of employers registered increased by an average of 15.1% between 2000 and 2002.)

TARGETED SERVICES (WOMEN AND YOUTH)

The WSI consultant used a work group selected by the NES, initially five people, but dwindling to two by the time the materials were completed. In May 2002, the consultant conducted two single-day train-the-trainer sessions for a total of 18 people, including three from the NESTI. Two participants from these sessions conducted a subsequent half-day version of the training for 13 additional staff from the Kyiv Raion.

Follow-up visits were made in August and September 2002, with the consultant visiting seven employment centers, and observing use of at least some of the material. Most targeted services being provided were directed toward women, with very little focusing on youth. Directors of two of the local Employment Centers visited by the evaluation team indicated that serving youth is their biggest challenge because unemployment levels are very high and staff is not accustomed to counseling young people searching for their first job. The LEC Director in Slavutych stated that by the 20th anniversary of the CNPP accident in 2008, only 400 of the former 5000 jobs at the plant will still be viable. Approximately 3750 new jobs will need to be created to meet the employment demand of Slavutych's youth. The director indicated that he and his staff felt considerably better prepared to meet that challenge after exposure to the employment services training provided under the Partner project.

PUBLIC RELATIONS

To prepare for Public Relations training, the WSI consultant used a work group consisting of ten public affairs specialists from NES headquarters and regional offices, as well as a representative from NESTI. The initial seminar was provided to members of the work group in December 2001. Subsequent seminars were presented in April 2002 (two 2-day seminars for 50 mid-level management officials and regional EC directors) and in July 2002 (a 5-day workshop for 28 regional public affairs officers). Individual media training was provided to senior public relations officials in NES. Participants received a 110-page Public Relations manual, tailored especially for central and eastern European environments. No additional activity was reported after July 2002. The majority of EC directors and staff interviewed indicated that the NES already had a number of PR procedures in place and that this component was of lesser relative importance than the other components. However, three center directors noted a new recognition of the need for a systematic PR plan and indicated that their organizations were making much more extensive use of TV, radio, and print media than in the past, and that the coverage was having a positive effect on the image of the service. (It should be noted that interest in PR was increased not only because of the training, but also as a result of a renewed emphasis by top leadership of the NES.)

PERFORMANCE MEASURES

Beginning in January 2002, the WSI consultant used a national Performance Measures Workgroup to develop an approach to this area of technical assistance, with participation from heads of various NES departments, the NESTI, and particularly the head of the Monitoring and Social Protection Department (which has responsibility for statistical measurement and reporting). The workgroup agreed to use existing statistical data to create performance measures as much as possible; however, it was understood that additional data would need to be developed in some areas. In particular, data needed to be developed on customer satisfaction, and the consultant worked with both the work group and a local contractor to develop and conduct a customer satisfaction survey. The survey was conducted in July 2003, and the consultant visited again in August and September of 2003 to assist in the analysis of survey data and the development of plans for subsequent customer satisfaction survey activity.

In meetings with NESTI and NES staff, the evaluation team confirmed that, while additional work is needed to refine measures and data needed to support them, there is clear institutional commitment to the philosophy and practice of performance measurement, particularly as regards customer satisfaction.

RAPID RESPONSE

The consultant working on Targeted Services turned her attention to Rapid Response worker adjustment services in the third quarter (July/December) of 2002. She presented a train-the-trainer session to 21 people in September 2002, and then invited them to return two months later to discuss changes that needed to be made in the curriculum. In 2003, the consultant made three additional visits, visiting a total of 10 employment centers, to observe activity. She also provided five formal presentations, lasting from 1 hour to 1 day, to EC staff, union officials, NGOs, the NESTI, and employer groups. The Rapid Response material has been incorporated in the ongoing curriculum of the NESTI.

Site visits by the evaluation team indicate that Rapid Response services are being used on a limited basis. However, the Slavutych EC director stressed that in his view, Rapid Response is the best tool of those presented by the project since the techniques proposed are significantly

more comprehensive than those of the European models he has studied. He particularly appreciated the emphasis on both psychological counseling and outplacement services.

The table below summarizes available data on the proliferation of training in five program areas. Performance measurement training is not included because its focus was on national level staff only, although customer satisfaction survey methodology is now included in the NESTI curriculum. Sources are project reports and interview samples.

Table 3: Proliferation of training in five ES program areas

	Voc Counseing	Employer Relations	Targeted Services	Public Relations	Rapid Response
Initial Training (TTT)	22	20	18	50	21
Follow-up Training (TTT)	346	155	13	28	-
Indications of Subsequent Training	All EC mployees received at least a brief orientation*	At least one employee per EC received ER training**	40 (from project reports)	At least one employee per EC received PR training**	None
Incorporated in NESTI Curriculum?	Yes	Yes	Limited	Yes	Yes

* Based on interviews at Oblast ECs (Dnipropetrovsk – 876 employees, and Donetsk – 1,200 employees); ** Based on interviews at 7 ECs.

Evaluation Of Training Materials And Delivery

In interviews with training participants at two Oblast and five local employment centers, the evaluation team asked training participants to rate the training they had received on a ten-point scale, for both the quality and usefulness of the materials and the quality of the instructors' delivery. The table below shows the average ratings received at each location..

Table 4: Training Materials and Instructor Assessments

	Vocational Counseling		Employer Relations		Targeted Services		Public Relations		Rapid Response	
	Mat'l	Instr	Mat'l	Instr	Mat'l	Instr	Mat'l	Instr	Mat'l	Instr
Dnipropetrovsk (Oblast)	9	10					8.5	8.5		
Zhovti Vodi	10	12*	10	10						
Kryvii Rih	10	10	9.5	15						
Dnipropetrovsk (local EC)	9.5	10	9.2	10	8.5	10				
Donetsk (Oblast)	7.5	8.5	8	10			8	10	8	6.5
Gorlovka	10	10							10	10
Konstantinovka	10	10	8	10						

* ranked beyond the highest possible rating

CONCLUSIONS

Strengths:

- Use of Ukrainian work groups to adapt training materials developed and used in other countries to the culture and context in which they would be used.
- WSI consultants' ability to provide practical, useful tools and suggestions to professional issues faced daily by their Ukrainian counterparts
- Use of a train-the-trainer approach to maximize coverage within available resources (staff reported that they learned more in the initial training because they knew that they were going to be teaching others, and that the act of teaching increased their learning as well)
- Involvement of NESTI to ensure continued training and retraining in key ES components
- Existence of competent staff and management throughout the national employment service system and the National Employment Service Training Institute, ready to absorb the training and put it to use immediately.

Weaknesses:

- Difficult working relationship between the initial WSI project manager and the MOLSP staff, combined with the hiatus of work resulting from a lack of cooperation and the transition to a new project manager in 2001.
- Very limited opportunities for follow-up field monitoring and mentoring for the employment service staff's in the use the skills in which they were trained.

IMPLEMENTATION RECOMMENDATIONS

Employment Services: Future project designs for employment services enhancement should include additional time post training-of-trainers for mentoring pilot employment center staff in the field. When multiple employment services are involved, it would be useful to designate one center as the focus center for each service so that the follow-on mentoring could help to develop staff there as resource persons for the other pilot centers and the rest of the country.

C. PROJECT IMPACT

FINDINGS

USDOL Performance Monitoring Strategic Frameworks (see Appendix G for the Partner framework) is intended by USDOL to serve as the basis for evaluation of project impact, using indicators jointly established with key project stakeholders. The framework and its supporting performance monitoring plan (PMP) were developed for the Partner project in November 2001, working with project staff only. The framework included one overarching development objective (DO), three immediate objectives (IOs) and six sub-immediate objectives (Sub IOs). Data was collected on these indicators twice during the project period (Sept 2002 and March 2003). The most recent data available to the evaluators was from the March 2003 technical progress report. A final data table was to be prepared for October 2003, at project closeout.

Estimated results related to the project indicators are listed in Table 5 below and are based on the evaluation team's interviews. Additional discussion of these measures and of others related to the employment services component is provided in the section following Table 5.

Table 5: Performance Monitoring Indicators/Estimated Results at time of final evaluation

Objective	Indicators	Results
DO: increased employment of workforce in target areas	<ol style="list-style-type: none"> 1. Number of permanent, temporary and seasonal jobs created: 2. Number of at risk workers retained 	<p>34 permanent; 20 temporary; 40 addtl permanent projected</p> <p>680 (based on number of at-risk workers from CNPP nuclear repair workshop, most of whom transitioned to ARS, a new state-owned nuclear repair/troubleshooting co.</p>
IO1: improved business sector activity in target areas	<ol style="list-style-type: none"> 1. Number of new business starts 2. Number/percent of firms that increased net revenue 	<p>4 LED start –ups plus 5 LED-inspired start ups</p> <p>2 (50%) of the LED start ups: Internet company and voc training center- no data available on non-LED start ups</p>
IO2: increased worker participation in adjustment services in target areas	<ol style="list-style-type: none"> 1. Number of workers participating in djustment services in target areas: 2. Number of firms working in partnership with Local Employment Centers in target areas 3. Number of new toosl/systems developed 	<p>983 workers in Slavutych; no data available in other communities on Rapid Response</p> <p>Gorlovka: 1200 (47%) Konstantinovka: 500 (47%) Slavutych: 369 (63%) Nizhyn: 472 (61%) Korosten: 478 (47%) Berdychiv: 887 (8%) Zhovti Vodi: 190 (49%) Irshava: 195 (41%) Rahiv: 182 (34%) Pervomaisk: 274 (29%)</p> <p>Sviatoshyn Raion: 5023 (66%)</p> <p>Six new manuals and TOT programs developed and implemented</p>
IO3: institutionalization pro-active worker adjustment services in target areas	<ol style="list-style-type: none"> 1. Number of public and private institutions implementing ICDP components 2. Number of trained and designated staff assigned to worker adjustment services program functions 3. Number of new policies or regulations adopted to support worker adjustment services 	<p>Data not complete but program components being used by one NGO in Gorlovka and by LMAT in Slavutych</p> <p>Vocational guidance: 368 Employer relations: 175 Targeted Services: 31 Public Relations: 78 Rapid Response: 21</p> <p>5 new procedural manuals approved and adopted by NES</p>

Objective	Indicators	Results
Sub IO1: increased capacity of target areas to identify and pursue post-project opportunities	1. Number/percent of communities with continuing economic development fora: 2. Number/percent of communities with new projects funded: 3. Number/percent of communities with LT economic development plans operational:	2 of 2 (100%) 2 Of 2 (100%) 1 of 2 (50%)- based on strong support and continuing interest from Mayor of Slavutych
Sub IO2: improved production, service and/or management in target areas or firms	1. Number/percent of firms assisted that sustain activities	2 of 4 LED projects (50%) have broken even; 2 others still in start-up phase No data on 5 non-LED start ups
Sub IO3: improved business climate in target areas	1. Number of project-related local level business climate improvements:	No data available
Sub IO4: demonstrated efficiency in delivery of ICDP components	1. Average duration of unemployment period for target areas	No data available
Sub IO5: increased public awareness/ acceptance of worker adjustment services	1. #/% of survey respondents reporting increased awareness	Data from NES surveys not available

Discussion of impact

INTEGRATED COMMUNITY DEVELOPMENT PROGRAM (LED AND LMAT)

The LED component of the Partner project was poorly understood by the MOLSP, as evidenced from project reports and comments during the final evaluation by NES staff. LED was tolerated, at best, by NES in the two communities where pilot LED projects were implemented. The very positive feedback from the pilot communities in Ukraine (neither of which was selected according to normal ICDP criteria), demand from neighboring communities in Ukraine and inferences from LED implementation experience in communities in other countries in Eastern Europe lead the evaluators to assume that this component would have had similar success stories to those in Bulgaria, Romania and Macedonia had it been implemented on a large scale basis. It is unfortunate that no successor institution was identified to assume responsibility for continued implementation of LED in Ukraine.

The evaluators were able to ascertain the following impact from the four LED projects implemented:

- Creation of 4 new businesses
- 34 new jobs with 40 additional projected in the near term

- The LED methodology that encourages democratic, participatory economic decision making to strengthen community economic development was well assimilated by participants and has been used for other purposes by local NGOs in both locations and by the municipality in Slavutych
- The LED team members in Gorlovka have used the LED approach to structure and finance five new projects, two of which had been presented as potential projects for the LED grants. These spin offs include creation of the following :
 - recreation center (new business start up)
 - recording studio (new business start up)
 - natural medicines production (new business start up)
 - grant to local NGO to provide services to the disabled
 - grant to local NGO to provide civic education on voters rights

In Slavutych, the LED process served to generate the following projects:

- Vehicle repair facility (new business start up)
- Sports center (new business start up)

Per job cost calculations

According to the WSI country director, the estimated total Partners expenditures for the implementation of the 4 Pilot LED and one pilot LMAT interventions were \$800,000, or roughly 25% of total project costs. This represents per job cost of \$1120 **per job for the 714 jobs created or retained to date.** (The 714 jobs includes the 34 jobs from the LED projects and 680 jobs from the workers transitioned from CNPP to other activities in Slavutych. It does not include workers transitioned during subsequent LMAT adjustment initiatives or the estimated 40 additional jobs to result from full-scale operations of the LED projects). This figure compares reasonably to the cost of other donor-funded job creation or retention initiatives in the region.

Attitudinal changes

A recurring comment from LED and LMAT participants regarding ICDP is that the process changed the way they think about themselves and what they are capable of doing. Many citizens felt empowered for the first time to affect the fate of their communities.

Per comments from LMAT members interviewed, the process enabled members and other workers to see ways they could constructively prepare for a possible layoff. The LED process convinced community members that they could come together to plan and implement a LED initiative that could serve to “plug the leaks” and revitalize the community.

COMMENTS FROM LED and LMAT TEAM MEMBERS

This project created real companies and involved a dynamic team that will continue to work together.

We learned a great deal about open communications and we are much more free in our discussions than before.

The project offered a good methodology to achieve results- these results are concrete as compared to other projects where consultants show up to write reports.

This is the only project in Slavutych that has actually reached the workers themselves.

Employment Services Enhancements

FINDINGS:

The following discussion addresses several employment service-related questions in the USDOL statement of work for the final evaluation.

Evidence to support the notion that employment center enhancements have helped to mitigate the negative impacts of economic reforms and enterprise restructuring on workers, communities, and residual enterprises.

To address this question, the evaluation team gathered data for the 11 pilot offices covering the year 2000 (before the Partner project) and for 2002 (the latest full year for which data are available) for the following indicators:

Workforce Data:

- Total Active Workforce (Number)
- Total Active Workforce (Percent)
- Unemployment Rate (Percent)

Effectiveness:

- Job Seekers Registered
- Placement rate – Percent
- Number of long term unemployed
- Self-employed (lump sum payments)
- Subsidized jobs created

Efficiency:

- Number of Clients Processed per year
- Number of EC employees
- Number of Job search seminar participants
- Number of Job search seminar participants placed
- Number Referred to Training

Employer Relations:

- Number of Employers listing vacancies
- Percent of Employers who listed vacancies

In addition, the evaluators obtained placement rate data for 2001, 2002, and 2003 (January-August) for the 11 pilot sites and 8 additional centers within the same Oblasts. The tables containing these data (Appendix F) show the following trends:

- The unemployment rate is down, generally, with the exception of Rakhiv in the Zakarpatska Oblast. Unemployment decreased in the other regions by a range of – 0.39% -7.0% between 2000 and 2002.
- The placement rate has increased for 9 of the 11 pilot sites, and for 6 of the 8 non-assisted sites.
- The number of long-term unemployed is generally down.
- Participation in job search seminars, and the placement rate for participants in such seminars, has increased.
- Employers registering vacancies with the employment centers have increased both in number and percentage at the 11 pilot sites. (This information is not currently available for the non-assisted centers.)
- Staffing levels (number of employees assigned) at employment centers are up slightly, while workload (number of clients processed) has either declined or has increased at a lesser proportion.

Interviews with all the employment center staff and managers at the national, Oblast, and local levels, indicate that they attribute the positive trends at least in part to the Partner project intervention. Even the non-assisted sites received training through the train-the-trainers program. While there are many potential causes for the improvement, the quantitative data, combined with corroborating statements from people in the field, strongly suggest that the Partner project has contributed to the positive outcomes. Excerpts from interviews with recipients of the technical assistance and training, highlighted below, provide some specific examples of these perceived impacts.

Observed differences in assisted vs. unassisted employment centers

The evaluation team visited both assisted and non-assisted employment centers, and observed the following differences and similarities.

- Equipment—computers and furniture in the pilot centers was noticeably more modern and, together with apparent office space renovations, made the atmosphere very open and attractive. In the two non-assisted centers, the computer equipment and furniture were older and the climate considerably less inviting. Staff interviewed at the pilot centers were obviously proud of their facilities and felt that the modernization enhanced the centers' image and made it more attractive to customers. It should be noted that all staff interviewed, regardless of pilot or non-pilot status, were extremely customer-oriented and placed a high value on serving both employers and job seekers. *Two center directors stated that the equipment had decidedly improved staff productivity and reduced waiting lines for job-seeking customers. The Slavutych LEC director estimated that efficiency in terms of persons served had doubled.*
- All offices visited had prominently displayed occupation description folders and employer profile folders, and each had some sort of resource center in which job seekers could access both written materials and a video library. The format for display of materials, the content of occupational folders, and the video selection were apparently prescribed by national guidelines, and were consistent across all centers.

The principal difference observed was that the renovated sites provided considerably more space and privacy to job seekers using the resource materials.

IMPACT CONCLUSIONS

Given the numerous obstacles faced by the project and the severe economic hardships in Ukraine, the results achieved by the Partner project were very substantial for all project components (LED, LMAT and Employment Services). .

IMPACT RECOMMENDATIONS

Future projects should ensure that the impact information is compiled at least every six months and reviewed with the project's stakeholders in order to make strategy and tactical decisions that could improve project performance.

IV. SUSTAINABILITY

FINDINGS

While the Partner project as implemented has certainly resulted in short term impact, it is unclear to what extent the ICDP will be sustained at the end of the project. The lack of a successor organization to continue the project's work in LED and LMAT is not the result of a lack of effort on the part of USDOL or WSI. The NES simply did not view the ICDP as part of its institutional mandate or culture, despite tremendous efforts by USDOL and WSI to gain their buy-in.

It is unfortunate that the project did not have a larger coordinating body, as in the other Eastern European countries where the ICDP was implemented. In those countries, the "Partner" stakeholders included other government entities such as the Ministry of Economy, the Regional Association of Mayors, the State Business Development Agency or Small Business Administration, among others. This was perhaps easier in the other countries where the ICDP was implemented through an interagency agreement with USAID that had contacts with other government offices that predated the ICDP.

LED

At the present time, this program is not sustainable in Ukraine. An unsuccessful overture was made to the World Bank to include the ICDP under the Ukraine Social Investment Fund. At the time of the final evaluation, USAID was considering options for implementing a local economic development program, but had not yet determined which strategy it would support.

Community leaders in Gorlovka and Slavutych regretted the lack of LED institutionalization in their country and asked specifically that they be included in any regional networking initiative so that as the sole repositories of the LED methodology in Ukraine, they be kept aware of continuing LED initiatives and spin-offs in Eastern Europe.

LMAT

The Slavutych LMAT and Transition Center seems well positioned to continue to operate to meet the needs of at risk workers in Slavutych. Through the LMAT's website and networking

with the LEC, it may be possible for the union team in Slavutych to serve as a resource to other union leaders in communities facing large scale layoffs.

EMPLOYMENT SERVICES

As discussed above, the formal adoption of five of the six manuals as procedural guidelines in Ukraine is a strong indicator of the sustainability of the enhancements.

CONCLUSIONS

Without buy-in from the National Employment Service, the project's sole institutional partner in Ukraine, the ICDP components will likely not be sustained unless another agency agrees to champion the process.

Recommendations

A successor organization to continue to implement project training and technical assistance components should be identified from the start for every project component, especially when there is an issue of ownership with a key counterpart such as MOLSP/NES.

V. LESSONS LEARNED

The following lessons were identified based on feedback from various project stakeholders and participants.

1. "Always, always, always involve host country counterparts in the design of a project, including the performance monitoring plan and workplan." (USDOL senior official)
2. Establish clear roles and responsibilities for all stakeholders.
3. For maximum results, USDOL/WSI standard criteria for site selection, e.g. competitive base and smaller communities, should be respected since the criteria ensure community buy-in and commitment from the beginning.
4. LED, LMAT and ES counterparts should be encouraged to commit to continued reporting over a 3-year post-project period, particularly as regards LED job creation and spin offs, LMAT jobs transitioned and spins offs, new ES policies and systems in place.
5. A diversified partner group helps to share tasks and outreach and to ensure sustainability.
6. A larger pilot base (10 versus 2) should have been established at project start-up and maintained.
7. National/regional networking is vitally important to ICDP LED teams.
8. Good employer relations are key to a productive Employment Center.
9. To ensure long term enhancement of employment services, it would have been useful to designate one employment center as a focus site for each ES component and to provide more concentrated mentoring to each focus center after TOT so that it could serve as a resource for the other pilot sites and the larger population of employment centers in Ukraine.

APPENDICES

APPENDIX A

SCOPE OF WORK

FINAL EVALUATION OF THE USDOL PARTNER PROJECT IN UKRAINE

Description of Project

In May 2000, the U.S. Department of Labor initiated a \$3.2 million project in Ukraine that was intended to accomplish the following:

- (a) mitigation of the negative effects of economic reform and enterprise restructuring on workers, communities, and surviving enterprises; and
- (b) facilitation of the creation of a well-functioning labor market in target communities.

In April 2001, the project was expanded to include the provision of assistance to the Ministry of Labor and Social Policy in strengthening the capacity of the National Employment Service to provide services to the unemployed, job seekers, and communities that are or will be significantly affected by mass layoffs caused by economic restructuring.

The original project design was comprised of five elements:

- *On-site Response Worker Adjustment* to provide transition assistance services to dislocated workers;
- *Community Worker Transition Center* that would coordinate all available dislocated worker services for workers at the Chernobyl Nuclear Power plant, ensuring that services and resources are harmonized;
- *Local Economic Development* in communities affected by dislocation through training and small grants to design and implement concrete strategies for job creation and economic growth;
- *Enterprise Competitiveness* enhancement through customized training to improve productivity and save and/or create new jobs; and
- *Employment Center Capacity Strengthening*.

The key indicators developed to measure project success included:

- Number of new placements in full time, part time and temporary jobs;
- Number of new business starts;
- Number and percent of firms assisted by project that increased net revenue;
- Number of workers participating in worker adjustment services in target areas;
- Number of firms working in partnership with local employment centers in target areas;
- Number of public/private institutions implementing worker adjustment services;
- Number trained and designated staff assigned to program functions;
- Number new policies or regulations adopted to support worker adjustment services;
- Number of continued fora for Local Economic Development;
- Number and percent of new projects funded;
- Number of long term economic development action plans operational;

- Number and percent of target firms that sustain activities;
- Number of project related local level business climate improvements (financial markets, legal/regulatory, physical or service infrastructure);
- Average duration of unemployment period target areas; and
- Percent of survey respondents reporting increased awareness and or acceptance.

II. Purpose of Evaluation

The purpose of this final evaluation is to determine if the objectives of the project were met based on the indicator data and targets, assess the strengths and weaknesses of the project as designed and implemented, determine whether the project is sustainable and replicable, assess whether the project should be expanded if resources were available, and identify the lessons learned from project implementation that led the project to relatively succeed or fail.

It is intended that the evaluation will be used by the donor and others all project stakeholders learn whether the project accomplished its purpose within the allotted budget, and to provide critical information regarding what worked and why. The evaluation should also determine the probability that project results will be sustained and recommend actions to ensure that they are.

III. PROJECT FRAMEWORK AND CURRENT STATUS

All activities scheduled under the work plan, as modified by the December Kyiv Planning Conference, have been implemented on schedule.

LED: Disbursement of funds for Gorlovka project proposal (round 1)

Completion of LED project proposal for Slavutych (round 1)

RR: Training and enhancement of LMAT Slavutych conducted

LMAT Transition Center/Local employment center activities fully integrated in Slavutych

LMAT formed two new LMATs at local firms

EC: Initial diagnostic conducted at pilot firm in Slavutych

ES: Workgroup/curriculum development completed for all components

Train-the-Trainer conducted on Vocational Guidance component (round 1)

Institutionalization: Ministry of Labor and Social Policy formally adopted 4 (of 6) enhancements to Employment Service official methodology proposed by project

IV. EVALUATION METHODOLOGY

A. Review of Project Materials

Materials describing components of the Project will be made available to evaluators. These include the following documents:

Evolution of the USDOL/WSI Adjustment Model

The USDOL Adjustment Model: An integrated approach to help workers, enterprises and communities impacted by economic restructuring

A Guide to Rapid Response Worker Adjustment: RRWA Handbook for Industrial Adjustment Specialists, Second Edition Revised, September 2000

Project Matrix, Workplan, Select Correspondence, Technical Reports and Budgets

B. Interviews with Contributors to Project Design and Implementation

Following a review of documents relevant to the project, interviews should be conducted with people who contributed to the design and implementation of the project. A preliminary list of such individuals is as follows:

Gary Russell, Director of Technical Cooperation, USDOL/ILAB
Laura Buffo, Project Manager, USDOL/ILAB
Steve Marler, Project Manager, USDOL/ILAB
Virginia Stacey, Worldwide Strategies, Inc. (WSI)
Gedeon Werner, Worldwide Strategies, Inc. (WSI)
Tom Fletcher, WSI/Ukraine Country Director and other WSI/Ukraine staff as appropriate
Ray Lamb, WSI Consultant
Tom Ivory, WSI Consultant
Marion Bently, WSI Consultant
Dwight Steele, WSI Consultant
Michy Grant, WSI Consultant
Wayne Veneman, WSI Consultant
Barbara Andreozzi, WSI Consultant
Jane Daly, WSI Consultant
Julie Cominos, WSI Consultant
Alexander Dlugosz, Local Staff
Olga Saliy, Local Staff

C. Site Visits

Evaluators should ensure that they visit the following:

- Four projects teams and projects created by the LED process (two in each site);
- One Community Worker Transition Center established to assist dislocated workers;
- One Labor Management Action Committee;
- At least three local employment centers enhanced through the project as well as one non-assisted center for comparative purposes;
- Local and Regional Employment Centers involved in the workforce adjustment process
- Local Employment Center Staff that were trained to be trainers in ES components;
- Local Employment Staff that were trained by local trainers in ES components;
- Ministry of Labor's training institute;
- The U.S. Embassy; and
- Ministry of Labor.

D. Standardized Questionnaires To Survey Stakeholders

The following are suggested questions to be asked of the broad base of partners involved in the program. In addition, it is important to assess the extent to which host country government institutions have assumed ownership in the project, are committed to its success, and have agreed to institutionalize its elements in order to ensure sustainability.

Suggested Questions

Stakeholder Perceptions

Were the goals and problems addressed by local economic development equally understood by communities, the MLSP and the embassy?

Is there a common perception in the communities and the ministry that the program promotes democratization?

Were the goals and problems addressed by the project priorities for the MOLSP?

Is there a shared impression that the project mitigates the social consequences to restructuring, privatization, and enterprise failure?

Did the program finish all activities and accomplish the established goals?

The Local Economic Development Component

How have the communities been affected by their participation in local economic development (LED) activities, e.g., do communities feel stronger as a result of participation in the activity?

Do community members perceive that they have become more self-reliant as a result of participating in LED activities?

Does the project effectively promote or stimulate sustainable business development through its LED component?

Does the LED component promote job creation?

How do community members rate the training received through the LED intervention?

Should the project fund more than one LED project in each of the two communities to enhance impact?

What organization (government or non-government) should "own" the LED approach to replicate, if replicable?

Rapid Response/Worker Adjustment Component

Net Impact: Are dislocated workers who receive services under this intervention re-entering the labor force more rapidly than those not served by the project?

If yes to the above question, what are the cost benefits realized, e.g., a ratio of reduced UI payments, increase in tax revenues, etc. to project costs?

Have labor-management relations of involved enterprises been improved as a result of this component of the project?

Has labor strife been reduced as a result of this component and, if yes, is this understood by the GOU and the US Embassy?

How do dislocated workers rate the training and counseling they received under this component?

Do dislocated workers demonstrate greater acceptance of their circumstances as a result of this component?

Is there other evidence to suggest that workers participating in this component are better prepared to face the challenges of unemployment than those who do not participate?

Is the transition center approach more or less effective than on-site LMACs?

Enterprise Competitiveness Component

Were any enterprise competitiveness activities completed? If yes, what were they and what results if any were achieved?

If not, why and what might have been done to implement this component?

Employment Services

What evidence is there to support the notion that enhancements to the employment centers have helped to mitigate the negative impacts of economic reforms and enterprise restructuring on workers, communities, and residual enterprises?

What definition of “high quality services” do the staff of the employment centers use?

Do the staff feel as though they have the capacity (skills, materials, technology, resources) to deliver the services?

What services do the staff provide to clients?

Where training materials and procedures made available?

How do the recipients of the train-the-trainers training rate the training received? Have they trained others? How do those others rate the training they received? How many staff have received the training?

How comprehensive and relevant are the occupation description folders? Do the staff use them? If so, how often? Are they being shared with other centers?

Have job search seminars have been conducted? Have they been evaluated by participants? Have participants subsequently used the information conveyed in the seminars to obtain employment?

What is the status of the Public Relations campaign? What materials have been developed? What are the results? Is there pre- and post- campaign data on perception/image of the centers by stakeholders? To whom have the brochures been disseminated?

How relevant was the study to Poland? What were the results of the study tour? Any new policies or procedures implemented?

What are the results of the client surveys?

Is the office equipment still in place and being used for its intended purpose?

Is the resource center active, equipped, and well-utilized?

Monitoring Function

Is the project’s monitoring and evaluation system adequate for collecting data appropriate for measuring impact, e.g., is the function adequately staffed and is the data reliable?

Do the project’s critical assumptions remain valid?

Are monitoring reports on file in the project office? Are these up-to-date? Is there any indication that these reports influence project management, i.e., do the data and the reports suggest a need for revisions in project implementation and, if so, have such amendments been made?

Overall Project Impact

Is there any evidence to suggest that any impact attributed to the intervention would have occurred in absence of it?

What are the major quantitative and qualitative results of this project?

What are the major strengths and weaknesses of this project?

Does the project provide short-term social mitigation, long-term sustainable development, or both?

Is the project positioned to address any other significant problems within the limitations of its existing resources?

Adequacy Of Field Structure & Procured Services

A. *Field Structure*

- (1) Was the administrative structure of field operations the most cost-effective way to implement the project?
- (2) Was the capacity of project staff and the number of staff sufficient to deliver services, technical assistance and adequately monitor project activities?
- (3) Was the staff and organizational structure in each project site demonstrate the capacity to meet project milestones, adequately monitor projects, deliver services and assistance, and submit all financial and performance reports in a timely fashion?

B. *Procured Services*

- (1) Was the current procurement mechanism the most effective way to deliver technical services? If not, what type of procurement instrument would be preferable and why?
- (2) Was the duration of the current contract adequate?
- (3) Were task orders for the contractor done appropriately and/or most effectively? If no, what changes are needed to improve the task orders?

V: DELIVERABLES

A. Evaluation Workplan that charts weekly activities for the duration of the evaluation period and anticipated travel itinerary (Due August 13);

B. Preliminary Draft Report that outlines general findings within 10 days of completion of fieldwork.

C. A Briefing for the evaluation team will be scheduled for August 13.

D. A Final Report, original plus 5 copies, will be submitted within 5 days of receiving final comments from USDOL.

VII: QUALIFICATIONS STATEMENT

A. *Experience*

Team members should have program implementation and evaluation experience. One team member must demonstrate a detailed understanding of the USDOL Workforce Adjustment Model, and one member must be an expert in Employment Service strategies and implementation. It would also be beneficial if one of the team members was an expert or had considerable knowledge and experience in public relations.

B. *Language/Writing/Travel Requirements*

Logistical arrangements, other than hotel reservations for USDOL staff, are to be made by WSI. A translator obtained by WSI will be required for the fieldwork.

VIII: REPORTING

The evaluators will complete a draft of the report following the outlines below. The report (excluding annex) shall be no more than 15 pages in length. The final report will be submitted within 5 days of receiving final comments from USDOL.

1. Title page (1)
2. Table of Contents (1)
3. Acronyms (1)
4. Project Description (1-2)
5. Purpose of Evaluation (1)
6. Evaluation Methodology (1)
7. Project Status (1-2)

8. Findings, Conclusions, and Recommendations (no more than 15)

Annex

Project Document and Matrix

Project PMP

Project Workplan

SOW for Project Evaluation

List of Meetings and Interview

Appendix B

Reference Material

Manuals:

A Guide to Rapid Response Worker Adjustment: RRWA Handbook for Industrial Adjustment Specialists, Second Edition Revised, September 2000

A Guide to Entrepreneurial Initiatives for Local Economic Development: Part I: Planning, organizing and implementing local economic development programmes (Draft) Second Edition Revised, October 1998

A Guide to Community Economic Renewal: Part I: CERT Participant Workbook

A Guide to Community Economic Renewal: Part II: CERT Resource Handbook, Third Edition Revised, September 2000

Articles and Evaluations:

Evaluation the Effectiveness of Active Labor Programs in Hungary, Draft, Feb. 1998

Evolution of the USDOL/WSI Adjustment Model

Hansen, Gary, The USDOL Adjustment Model: An integrated approach to help workers, enterprises and communities impacted by economic restructuring, USDOL/OFR August 1999

Hansen, Gary, Implementing the US Department of Labor Adjustment Model in Central and Eastern Europe: The Hungary Rapid Response Project, 1994-1999 (Draft)

Hansen, Gary, Results of the Hungary Rapid Response Project, 1994-1999, USDOL/WS,
8/22/99

Appendix C

Data Collection Protocol

1. Were the objectives of the project met, especially those set out in the project framework? Pls comment on results achieved as compared to your expectations/targets for the project

Increased employment of workforce in target areas (new jobs created)

Improved business sector activity in target areas (new business starts, increased revenues among firms)

Increased worker access to and participation in worker adjustment services in target areas (workers participating in services)

Institutionalization of proactive worker adjustment services in target areas

(institutions/services involved, trained staff assigned, new policies)

Other results achieved (expected or unexpected):

As appropriate pls comment on:

Impact of Transition Center

Impact of enhanced employment services (pls cite specific service areas)

Impact of new equipment purchased under the project

Other:

Will the project's contribution be considered as short term social mitigation or long term sustainable development, or both?

2. What were the main strengths of project as designed? As implemented?

3. What were the main weaknesses of project as designed? As implemented?

4. Are project components sustainable or replicable? Why or why not?

LED

LMAT

Enterprise Competitiveness

Enhanced employment services:

vocational counseling and testing

employer relations

targeted services for women and youth

public relations

performance measurement

What is the level of host country ownership of these components?

What resources have been allocated by the host country to ensure sustainability?

5. If additional DOL resources were available, what else could be done in Ukraine?

6. How useful was the project's performance monitoring system as regards :

Project management decisions

Stakeholder reporting

7. Project management- pls evaluate:

Project staff

WSI oversight

DOL management

MLSP counterparts

6. Lessons learned

Appendix D

Stakeholders Interviewed

USDOL Representatives:

Steve Marler

Gary Russell

WSI Representatives:

Virginia Stacey, Executive Director

Ray Lamb

Tom Ivory

Jane Daly

Barbara Andreozzi

Michele Grant

Dwight Steele

Gedeon Werner

PARTNERS Project Staff:

Tom Fletcher, Project Director

Oleksandr Dlugosh, Technical Assistance Specialist

Olga Saliy, LED/LMAT Coordinator

Ministry of Labor:

Vladimir Galitsky – Director, National Employment Service

Natalia Zinkevich – First Deputy Director, NES

Marina Shatilina – Deputy Director, NES

Mr. Marshevin – Director NES Training Institute

Marina Egorova – Department of Migration and International Cooperation

Nadia Tovstenko – Social Services Department

Olena Yaschenko – HR and Civil Service Department

Olga Kupriy – Social, Economic, and Financial Forecasts Department

Natalia Mazura – New Technology Development/Implementation Department

Olena Lesko – Fund Board and Executive Directorate Operations Support Department

Irina Polischuk – Information and Public Relations Department

Svetlana Kornilova – General Administration

Ludmila Yanevich – Vocational Counseling and Vocational Training Department

Vladimir Shelkovski – Vocational Counseling and Vocational Training Department

Valentina Bandur – Revenue and Financial Support Department

Sergei Kikina – Legal Department

Sergei Yukhno – IT Department

Elena Kozyreva – Statistics and Monitoring Department

Site visits:

Slavutych :

Vladimir Udovichenko, Mayor of Slavutych

Viktor ____, LED Project Coordinator

Vladimir Khodko, Employment Center Director

Elena Kokot, training recipient (Rapid Response, Targeted Services, and Vocational Guidance/Counseling)

Valentina Petruschenko, head of Employer Relations Dept. and training recipient (ER)

LMAT:

Ivan Lavrichenko

Oleg Abramenko

Natalia Oleynichenko

Sergui Votchinsev

Natalia Odintsova

Tatiana Stepanko

Alfiya Modyazhnova

Sergui Ivachnenko

Nadya Chevkasova

Yuri Kabanov

LED Teams:

Natalia Odindsova

Valentina Darnobysh

Olga Chistikova

Ludmila Deshenko

Olga Shum

Alexi Piroj

Tatiana Kirvopisha

Ludmila Kamyshnaya

Sergui Ivachnenko

Natalia Odintsova

LED Projects:

Vladimir Zaderey (Poultry company)

Grigori Boulavin, Vocational Technical Training Company

Donetsk (Oblast):

Evgenia Yarovya, First Deputy Director, Oblast EC (also participant in RR and Vocational Guidance/Counseling training)

Oleksadre Chelovan, Empl Relations Dept

Taisia Chudnova, Public Relations Dept

Konstantinovka :

Galina Pashneva, Director

Valentina Yaroshenklo, Employer relations

Marina Bozrova Voc counseling

Gorlovka :

Anatoli Tuchin, LED/LMAT coordinator
Valeri Ivanov, Employment Center Director
Elena Hodus, head of Active Support Department (received RR, PR and VG/C training)

LED Projects:

Yuri Uhanov-- internet co
Victor Beliy-- plastic stationery co

LED Teams
Dimitri Bilyi
Natalya Gumenuk
Natalya Yucsa
Valentin Grichangov
Denis Opaluc
Alexandra Diniyetskaya
Katerina Maxieminco
Tatiana Isakava
Raisa Varenova
Arcadie Taranietsk
Arcadie Duoart Juitkevitch

Zhovti Vodi :

Pavlo Suslov, Employment Center Director
Ludmila Koliosnaya, Vice Director of Job Counseling and Training at Oblast EC
Halyna Artemenko, psychologist and recipient of VG/C training
Victoria Lebedina, head of Employer Relations department and recipient of ER training

Kryvii Rih :

Igor Vozniuk, Deputy Director of City Employment Center
Head of City EC's statistics department (and recipient of VG/C and RR training)
Head of City EC's Employer Relations Department
9 staff members from throughout the City who had received ER training and trained others

Dnipropetrovsk (Oblast and Local EC)

Oleksandr Nadtoke, Director Oblast Employment Center
Vera Shuhailo, First Deputy Director, Oblast EC
Liubov Kobets, head of Vocational Guidance/Counseling Department (recipient of VG/C training)
Liudmila Zotova, Director of Local EC
Natalia Seliakova, placement specialist and recipient of VG/C training and ER training

APPENDIX E PROJECT CHRONOLOGY FOR YEAR ONE

CY 2000

- April: DOL team arrives for design mission. MOLSP agrees to Model implementation Donetsk region visited. Decision made on Gorlovka for Model implementation beginning with Local Economic Development component..
- May/June: Project implementation plan finalized. Local coordinator hired. Project director recruitment initiated. DOL shifted project priority to Slavutych and dislocated worker component. Slavutych Transition Center agreed to.
- June 10: Local coordinator begins Project inputs (office, logistics, etc).
- July: Official signing ceremony in Washington. MOL visits Baltimore model employment center. MOL asks for similar capacity for Ukraine. Deputy Undersecretary (DUS) verbally agrees. **(Comment:** This incident is the first identifiable attempt by MOL to substantially redesign project, and marks beginning of perceptual disconnect between DOL/WSI and MOL of project objectives.) Project director hired and oriented at WSI headquarters.
- August: Project start-up. Slavutych regional coordinator hired. First WSI regional coordination meeting.
- September: New DOL program manager on board. DOL/MOL negotiations on project re-design. MOL dissatisfied at apparent renegeing on DUS promise.
- October: Slavutych service delivery consultations with community, initially very positive. Local project coordinator begins effective networking with CHNPP management and unions. MOL demands re-negotiation on Slavutych Transition Center. New personnel at all levels within DOL. Inputs continue.
- November: 4-day workshop at CHNPP led by WSI consultant. LMAC training conducted. Plant management and union operations smooth and enthusiastic. NES objects to hire of local project coordinator in Gorlovka. Second WSI regional coordination meeting. First signs of eroding relationship between project management and MOL.
- December: CHNPP plant management change. New management antipathetic to project. Workers refused time off to attend LMAC meetings and training. LMAC decides to meet after work. Agreement reached on transition center. Effective communication ceases between project and MOL and fax sent by MOL to DUS criticizing project direction and management. Holiday slowdown – project work halted until mid-January. DOL directs WSI to revise implementation plan to add a one-stop employment center.

CY 2001

- January: LED Workshop 0 in Gorlovka. MOL refuses to provide staff for training. MOL writes second letter requesting renegotiation of project and replacement of project director. ILAB representative meets with MOL to discuss project progress.

- February: Peer counseling workshop in Slavutych. LED Workshop A in Gorlovka cancelled. ILAB representative recommends project director's termination. Project director meets with ILAB staff in Washington to discuss findings. Technical assistance project activity suspended.
- March: Two worker surveys conducted in Slavutych by LMAC (which has refused to halt work). DO L/WSI executive management to Ukraine for project review. Project director notified of specific areas for improvement. MOL/DOL Letter of Agreement drafted. Some technical assistance resumes--LED Workshop A in Gorlovka.
- April: Recruitment and planning for redesign mission. LED Workshop B in Gorlovka conducted. Transition center implementation delayed. Project management attempts to negotiate new transition center location, NES disapproves.
- May: DOL/WSI design team arrives in Ukraine for negotiation and substantial redesign of project. Working relationship between MOL and project director determined to be irreparable. LED Introduction in Slavutych. New Memorandum of Agreement signed between DOL and MOLSP adding substantial technical assistance components (Objectives 1, 2, and 4).
- June: Third WSI regional meeting. LED Workshop 0 and A in Slavutych, Workshop C in Gorlovka. LMAC funding suspended pending review. Transition to a new project director. Regional Advisor arrives to conduct training. Organizational analysis of in-country staff and management conducted. Staffing changes initiated.
- July: First technical assistance assessment visit (Objective 2 SO-3 PR component). LED Workshop B in Slavutych and Workshop D in Gorlovka conducted. Procurement procedures developed, approved, and adopted.
- August: Project registration and accreditation completed. Objective 2 SO-1 technical assistance assessment visit conducted. Project director to the US for M&E and Model training. LED Workshop C in Slavutych. Procurement process initiated for Objectives 1 and 4. Bids received, contracts signed. First funds transferred.
- September: Final procurement funds transferred. Slavutych LMAC workplan negotiated. LED Workshop D in Slavutych and transitional Workshop E in Gorlovka. Work begins on LED Phase II in Gorlovka. Regional Advisor training visit to Kiev – selection criteria, staffing plan, and management strategy developed for Round 2 rollout. Technical assistance assessment visit Objective 2 SO-2 and SO-3 (Targeted Services) conducted.

APPENDIX F

Employment Service Indicators—(2000 vs. 2002)

Source: Submissions by Individual Employment Centers to NEC, 26 Sept. 2003

Office: Gorlovka, Donetsk Oblast

Indicators	Before Partner Project (2000)	Partner Project (2002)	Difference
Workforce Data:			
• Total Active Workforce (Number)	185,500	182,000	- 3,500
• Total Active Workforce (Percent)	58.5%	57.8%	-0.7%
• Unemployment Rate (Percent)	6.28%	3.56%	-2.72%
Effectiveness:			
• Job Seekers Registered	23,301	16,856	-6,445
• Placement rate – Percent	18.34%	31.93%	+13.59%
• Number of long term unemployed	9,541	4,778	-4,763
• Self-employed (lump sum payments)	-	283	+283
• Subsidized jobs created	-	283	+283
Efficiency:			
• Number of Clients Processed per year	14,178	14,965	+787
• Number of EC employees	83	87	+4
• Number of Job search seminar participants	11,220	16,856	+5,636
• Number Placed	4,863	7,456	+2,593
• Number Referred to Training	852	735	-117
Employer Relations:			
• No. of Employers listing vacancies	507	1,200	+693
• Percent of Employers who listed vacancies	19.28%	46.58%	+27.3%

Office: Konstantinovka, Donetsk Oblast

Indicators	Before Partner Project (2000)	Partner Project (2002)	Difference
Workforce Data:			
• Total Active Workforce (Number)	62,000	52,400	- 9,600
• Total Active Workforce (Percent)	67.2%	55.0%	-12.2%
• Unemployment Rate (Percent)	6.93%	5.5%	-1.43%
Effectiveness:			
• Job Seekers Registered	7,104	6,686	-418
• Placement rate – Percent	16.72%	24.56%	+7.84%
• Number of long term unemployed	2,690	2,329	-361
• Self-employed (lump sum payments)	-	359	+359
• Subsidized jobs created	-	122	+122
Efficiency:			
• Number of Clients Processed per year	6,188	5,772	-416
• Number of EC employees	28.5	34	+5.5
• Number of Job search seminar participants	54	529	+475
	1,593	2,207	+614

<ul style="list-style-type: none"> • Number Placed • Number Referred to Training 	359	621	-262
Employer Relations:			
<ul style="list-style-type: none"> • No. of Employers listing vacancies • Percent of Employers who listed vacancies 	480 42.16%	500 46.97%	+20 +4.81%

Office: Slavutych, Kyiv Oblast

Indicators	Before Partner Project (2000)	Partner Project (2002)	Difference
Workforce Data:			
<ul style="list-style-type: none"> • Total Active Workforce (Number) • Total Active Workforce (Percent) • Unemployment Rate (Percent) 	14,412 57.0% 6.05%	16,330 66.5% 4.94%	+1,918 +9.5% -1.11%
Effectiveness:			
<ul style="list-style-type: none"> • Job Seekers Registered • Placement rate – Percent • Number of long term unemployed • Self-employed (lump sum payments) • Subsidized jobs created 	2,007 25.3% 349 - -	1,986 34.7% 238 64 61	-111 +9.4% -111 +64 +61
Efficiency:			
<ul style="list-style-type: none"> • Number of Clients Processed per year • Number of EC employees • Number of Job search seminar participants • Number Placed • Number Referred to Training 	4,684 19 1,108 205 110	9,152 19 1,172 345 208	+4,468 0 +64 +140 +98
Employer Relations:			
<ul style="list-style-type: none"> • No. of Employers listing vacancies • Percent of Employers who listed vacancies 	185 41.3%	369 62.6%	+184 +21.3%

Office: Nizhyn, Chernihiv Oblast

Indicators	Before Partner Project (2000)	Partner Project (2002)	Difference
Workforce Data:			
<ul style="list-style-type: none"> • Total Active Workforce (Number) • Total Active Workforce (Percent) • Unemployment Rate (Percent) 	64,100 55.35% 7.05%	64,700 57.72% 4.46%	+600 +2.37% -2.59%
Effectiveness:			
<ul style="list-style-type: none"> • Job Seekers Registered • Placement rate – Percent • Number of long term unemployed • Self-employed (lump sum payments) • Subsidized jobs created 	3,401 22.26% 5,610 3 -	3,080 66.83% 960 137 88	-321 +44.58% -4,650 +134 +88
Efficiency:			
<ul style="list-style-type: none"> • Number of Clients Processed per year • Number of EC employees • Number of Job search seminar 	12,331 37 540	8,829 42 1,043	-3,502 +5 +503

participants	127	383	+256
• Number Placed	87	106	+19
• Number Referred to Training			
Employer Relations:			
• No. of Employers listing vacancies	344	472	+128
• Percent of Employers who listed vacancies	36.5%	61.0%	+24.5%

Office: Korosten, Zhytomyr Oblast

Indicators	Before Partner Project (2000)	Partner Project (2002)	Difference
Workforce Data:			
• Total Active Workforce (Number)	55,239	55,129	-110
• Total Active Workforce (Percent)	54.9%	55.5%	+0.6%
• Unemployment Rate (Percent)	8.67%	4.56%	-4.11%
Effectiveness:			
• Job Seekers Registered	5,016	4,927	-89
• Placement rate – Percent	23.2%	31.3%	+8.1%
• Number of long term unemployed	1,652	227	-1,425
• Self-employed (lump sum payments)	-	116	+116
• Subsidized jobs created	-	104	+104
Efficiency:			
• Number of Clients Processed per year	10,991	12,080	+1,089
• Number of EC employees	29	36	+7
• Number of Job search seminar participants	328	1,404	+1,076
• Number Placed	2,299	2,380	+81
• Number Referred to Training	331	373	+42
Employer Relations:			
• No. of Employers listing vacancies	332	478	+146
• Percent of Employers who listed vacancies	45.0%	46.9%	+1.9%

Office: Berdychiv, Zhytomyr Oblast

Indicators	Before Partner Project (2000)	Partner Project (2002)	Difference
Workforce Data:			
• Total Active Workforce (Number)	66,400	66,400	0
• Total Active Workforce (Percent)	54.47%	54.47%	0
• Unemployment Rate (Percent)	13.0%	6.0%	-7.0%
Effectiveness:			
• Job Seekers Registered	11,875	9,188	-2,687
• Placement rate – Percent	21.0%	34.0%	+13.0%
• Number of long term unemployed	6,229	3,111	-3,118
• Self-employed (lump sum payments)	-	194	+194
• Subsidized jobs created	-	211	+211
Efficiency:			
• Number of Clients Processed per year	14,854	11,480	-3,374
• Number of EC employees	42	49	+7
• Number of Job search seminar	1,080	979	-101

<ul style="list-style-type: none"> participants Number Placed Number Referred to Training 	2,424 573	3,086 579	+662 +6
Employer Relations: <ul style="list-style-type: none"> No. of Employers listing vacancies Percent of Employers who listed vacancies 	501 16.2%	887 8.0%	+586 -8.2%

Office: Zhovti Vodi, Dnipropetrovsk Oblast

Indicators	Before Partner Project (2000)	Partner Project (2002)	Difference
Workforce Data: <ul style="list-style-type: none"> Total Active Workforce (Number) Total Active Workforce (Percent) Unemployment Rate (Percent) 	32,000 55.2% 17.0%	30,000 57.7% 14.3%	-2,000 +2.5% -2.7%
Effectiveness: <ul style="list-style-type: none"> Job Seekers Registered Placement rate – Percent Number of long term unemployed Self-employed (lump sum payments) Subsidized jobs created 	3,462 8.8% 1,843 - -	4,024 20.2% 1,582 116 151	+562 +11.4% -261 +116 +151
Efficiency: <ul style="list-style-type: none"> Number of Clients Processed per year Number of EC employees Number of Job search seminar participants Number Placed Number Referred to Training 	9,346 37 982 823 384	9,126 39 2,064 1,844 403	-220 +2 +1,082 +1,021 +19
Employer Relations: <ul style="list-style-type: none"> No. of Employers listing vacancies Percent of Employers who listed vacancies 	35 9.8%	190 49.4%	+155 +39.6%

Office: Irshava, Zakarpatska Oblast

Indicators	Before Partner Project (2000)	Partner Project (2002)	Difference
Workforce Data: <ul style="list-style-type: none"> Total Active Workforce (Number) Total Active Workforce (Percent) Unemployment Rate (Percent) 	50,400 49.95% 11.8%	51,600 51.4% 6.8%	+1,200 +1.45% -5.0%
Effectiveness: <ul style="list-style-type: none"> Job Seekers Registered Placement rate – Percent Number of long term unemployed Self-employed (lump sum payments) Subsidized jobs created 	3,744 12.6% 552 - -	3,203 22.9% 362 35 46	-541 +10.3% -190 +35 +46
Efficiency: <ul style="list-style-type: none"> Number of Clients Processed per year Number of EC employees 	10,453 n/a	7,781 n/a	-2,672 n/a

<ul style="list-style-type: none"> Number of Job search seminar participants Number Placed Number Referred to Training 	n/a n/a 139	n/a n/a 321	n/a n/a +182
Employer Relations: <ul style="list-style-type: none"> No. of Employers listing vacancies Percent of Employers who listed vacancies 	180 34.6%	195 41.2%	+15 +6.6%

Office: Rahiv, Zakarpatska Oblast

Indicators	Before Partner Project (2000)	Partner Project (2002)	Difference
Workforce Data: <ul style="list-style-type: none"> Total Active Workforce (Number) Total Active Workforce (Percent) Unemployment Rate (Percent) 	47,800 52.4% 8.47%	48,000 52.1% 11.2%	+200 -0.3% +2.5%
Effectiveness: <ul style="list-style-type: none"> Job Seekers Registered Placement rate – Percent Number of long term unemployed Self-employed (lump sum payments) Subsidized jobs created 	5,075 28.8% 1,448 - -	5,925 29.76% 1,598 69 58	+850 +0.96% +150 +69 +58
Efficiency: <ul style="list-style-type: none"> Number of Clients Processed per year Number of EC employees Number of Job search seminar participants Number Placed Number Referred to Training 	8,314 23 1,150 441 93	10,318 26 1,229 602 103	+2,004 +3 +79 +161 +10
Employer Relations: <ul style="list-style-type: none"> No. of Employers listing vacancies Percent of Employers who listed vacancies 	126 22.6%	182 34.2%	+56 +11.6%

Office: Pervomaisk, Mykolaiv Oblast

Indicators	Before Partner Project (2000)	Partner Project (2002)	Difference
Workforce Data: <ul style="list-style-type: none"> Total Active Workforce (Number) Total Active Workforce (Percent) Unemployment Rate (Percent) 	62,000 95.0% 6.98%	62,100 98.0% 5.62%	+100 +3.0% -1.36%
Effectiveness: <ul style="list-style-type: none"> Job Seekers Registered Placement rate – Percent Number of long term unemployed Self-employed (lump sum payments) Subsidized jobs created 	8,477 21.8% 3,643 - -	7,124 27.7% 2,391 115 101	-1,353 +5.9% -1,252 +115 +101
Efficiency: <ul style="list-style-type: none"> Number of Clients Processed per year 	10,173	8,575	-1,598

<ul style="list-style-type: none"> • Number of EC employees • Number of Job search seminar participants • Number Placed • Number Referred to Training 	29 247 2,218 310	36 493 2,380 366	+7 +246 +162 +56
Employer Relations: <ul style="list-style-type: none"> • No. of Employers listing vacancies • Percent of Employers who listed vacancies 	187 20.0%	274 29.0%	+87 +9.0%

Office: Sviatoshyn Raion, Kyiv City

Indicators	Before Partner Project (2000)	Partner Project (2002)	Difference
Workforce Data: <ul style="list-style-type: none"> • Total Active Workforce (Number) • Total Active Workforce (Percent) • Unemployment Rate (Percent) 	211,400 69.4% 0.92%	207,700 65.8% 0.53%	-3,700 -3.6% -0.39%
Effectiveness: <ul style="list-style-type: none"> • Job Seekers Registered • Placement rate – Percent • Number of long term unemployed • Self-employed (lump sum payments) • Subsidized jobs created 	6,524 28.6% 1,741 8 -	5,064 47.2% 734 218 184	-1,46- +18.6% -1,007 +210 +184
Efficiency: <ul style="list-style-type: none"> • Number of Clients Processed per year • Number of EC employees • Number of Job search seminar participants • Number Placed • Number Referred to Training 	13,600 47 4,087 1,868 600	13,525 51 3,834 2,391 699	-75 +4 -253 +523 +99
Employer Relations: <ul style="list-style-type: none"> • No. of Employers listing vacancies • Percent of Employers who listed vacancies 	3,215 61.8%	5,023 66.0%	+1,808 +4.2%

Placement Rates for Pilot Employment Centers and Selected Non-assisted Centers

Source: Elena Kozyreva, Statistics and Monitoring Department, NEC

Note: Data for Pilot Centers is shaded.

	2000	2001	2002	1-8/2002	1-8/2003
Zhytomyr Oblast:					
Korosten City and Raion EC	23.2%	27.0%	31.3%	25.6%	25.8%
Berdychiv City EC	18.3%	24.2%	33.6%	28.7%	33.1%
Korostyshiv Raion EC	25.5%	35.9%	39.7%	33.0%	33.0%
Zakarpatska Oblast:					
Irshasva Raion EC	12.6%	18.3%	22.9%	12.5%	17.5%
Rakhiv Raion EC	28.8%	32.3%	29.8%	24.2%	26.0%
Berehovo City and Raion EC	5.8%	13.6%	21.6%	17.0%	22.2%
Dnipropetrovsk Oblast:					
Zhovti Vody City EC	8.8%	16.5%	20.2%	16.7%	17.5%
Novomoskovsk City and Raion EC	16.2%	24.6%	18.9%	16.1%	10.9%
Donetsk Oblast:					
Horlivka City EC	18.3%	26.8%	312.9%	26.6%	29.9%
Kostiantynivka City and Raion EC	16.7%	20.3%	24.6%	20.6%	25.0%
Amrosiyiv Raion EC	12.6%	21.5%	20.1%	17.2%	14.9%
Kyiv Oblast:					
Slavutych City EC	25.3%	35.9%	34.7%	29.6%	31.1%
Tarascha Raion EC	18.4%	23.0%	27.7%	26.5%	28.1%
Mykolayiv Oblast:					
Pervomaisk City and Raion EC	21.8%	27.1%	27.8%	19.2%	21.9%
Novoodessa v	20.8%	22.8%	23.5%	17.7%	20.6%
Chernihiv Oblast:					

Nizhyn City and Raion EC	22.3%	33.1%	41.9%	37.1%	39.1%
Talalayiv Raion EC	21.2%	32.0%	35.3%	29.2%	48.8%
Kyiv City:					
Sviatoshyn Raion EC	N/A	N/A	N/A	42.1%	45.7%
Darnitsa Raion EC	N/A	N/A	N/A	36.8%	43.4%

APPENDIX G

PROJECT STRATEGIC FRAMEWORK- NOVEMBER 2001

